

## ECONOMIC DEVELOPMENT AUTHORITY[261]

### Notice of Intended Action

#### **Proposing rule making related to program funding and requirements and providing an opportunity for public comment**

The Economic Development Authority (IEDA) hereby proposes to amend Chapter 7, “Iowa Jobs Training Program,” Chapter 42, “Iowa Tourism Grant Program,” Chapter 81, “Renewable Chemical Production Tax Credit Program,” Chapter 220, “Rural Housing Needs Assessment Grant Program,” and Chapter 221, “Rural Innovation Grant Program,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is proposed under the authority provided in Iowa Code section 15.106A.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code chapter 260F; Iowa Code sections 15.108 and 15.320; 2021 Iowa Acts, House File 699; and 2019 Iowa Acts, Senate File 608.

#### *Purpose and Summary*

The IEDA proposes the following corrective and clarifying amendments:

- Amend subrule 7.6(1) relating to the Iowa Jobs Training Program to be consistent with Iowa Code section 260F.6.
- Amend subrule 42.2(2) relating to the Iowa Tourism Grant Program to allow the IEDA to set a maximum and minimum award level based on funding available in each fiscal year.
- Clarify in paragraph 42.3(1)“b” that other state sources of funds cannot be considered local match for the Iowa Tourism Grant Program.
- Amend subrule 81.3(3) relating to the Renewable Chemical Production Tax Credit Program to be consistent with Iowa Code section 15.317.
- Replace the phrase “20,000 or fewer” with “20,000 or less” in Chapters 220 and 221. These chapters relate to the Rural Housing Needs Assessment Grant Program (Chapter 220) and the Rural Innovation Grant Program (Chapter 221).

#### *Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the IEDA for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

#### *Public Comment*

Any interested person may submit written or oral comments concerning this proposed rule making. Written or oral comments in response to this rule making must be received by the IEDA no later than 4:30 p.m. on March 15, 2022. Comments should be directed to:

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Iowa Economic Development Authority  
1963 Bell Avenue, Suite 200  
Des Moines, Iowa 50315  
Phone: 515.348.6163  
Email: [lisa.connell@iowaeda.com](mailto:lisa.connell@iowaeda.com)

### *Public Hearing*

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rule-making actions are proposed:

ITEM 1. Amend subrule 7.6(1) as follows:

**7.6(1)** A community college consortium of two or more businesses as defined in 261—7.3(260F) is eligible for a maximum award of ~~\$50,000~~ \$100,000 per training project.

ITEM 2. Amend subrule 42.2(2) as follows:

**42.2(2)** The authority will establish a maximum grant award is \$5,000 per application and a minimum grant award per application for each fiscal year in which funding is available. The minimum grant award is \$500 per application.

ITEM 3. Amend paragraph **42.3(1)“b”** as follows:

*b.* The applicant shall demonstrate an amount of local match equal to at least 25 percent of the amount of grant funds to be received by the applicant under the program. The local match shall be in the form of cash. Other state sources of funds shall not qualify as local match. The local match must be spent on eligible expenses as described in rule 261—42.6(15).

ITEM 4. Amend subrule 81.3(3) as follows:

**81.3(3)** *Type of business.* The business may not be an entity providing professional services, health care services, or medical treatments ~~or~~ and may not be an entity engaged primarily in retail operations.

ITEM 5. Amend paragraph **220.4(1)“b”** as follows:

*b.* An applicant that is an incorporated city must have a population of 20,000 or ~~fewer~~ less and shall not be contiguous to a city with a population of 40,000 or greater. An applicant that is a county shall be one of the 88 least populous counties in the state. An applicant that is a community designee shall have entered an agreement pursuant to Iowa Code chapter 28E with an incorporated city or county meeting the population criteria in this paragraph.

ITEM 6. Amend rule **261—221.2(88GA,SF608)**, definition of “Project,” as follows:

“*Project*” means a program or activity undertaken in and for the benefit of a community in Iowa with a population of 20,000 or ~~fewer~~ less and not contiguous to a city with a population of 40,000 or greater.

ITEM 7. Amend paragraph **221.4(1)“c”** as follows:

*c.* The applicant must serve a city that has a population of 20,000 or ~~fewer~~ less and that is not contiguous to a city with a population of 40,000 or greater.